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COMMUNITY DEVELOPMENT COMMISSION

of the County of Los Angeles

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ADOPTED

Community Development Commission

August 31, 2010

The Honorable Board of Commissioners Community Development Commission of the County of Los Angeles 383 Kenneth Hahn Hall of Administration 500 West Temple Street Los Angeles, California 90012 1-D

August 31, 2010

SACHI A. HAMAI EXECUTIVE OFFICER

Dear Commissioners:

APPROVE COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING FOR ELECTRIC METER CONVERSION AT THE NUEVA MARAVILLA HOUSING DEVELOPMENT IN UNICORPORATED EAST LOS ANGELES

(FIRST DISTRICT) (3 VOTES)

SUBJECT

This letter recommends the transfer of \$547,659 in Fiscal Year 2010-2011 Community Development Block Grant funds to the Housing Authority to provide additional funding to the existing Fiscal Year 2010-2011 CDBG Nueva Maravilla Electrical project at the Nueva Maravilla housing development in unincorporated East Los Angeles. This letter relates to an item on the agenda of the Board of Commissioners of the Housing Authority for approval of a construction contract for the project.

IT IS RECOMMENDED THAT YOUR BOARD:

Approve the transfer of \$547,659 in Fiscal Year 2010-2011 Community Development Block Grant (CDBG) funds to the Housing Authority to provide additional funding to the existing Fiscal Year 2010-2011 CDBG Nueva Maravilla Electrical project at the Nueva Maravilla housing development in unincorporated East Los Angeles.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The Nueva Maravilla housing development is located at 4919 Cesar E. Chavez Avenue in unincorporated East Los Angeles County. The Nueva Maravilla Electrical Meter Conversion project will serve to improve the well-being of the community by installing a new underground electrical main service and transformers with individual metering at each single family unit. This new individual metering will encourage current residents to conserve energy. The present system is owned and

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maintained by the Housing Authority, and due to the system's age, is prone to service outages and equipment failures. After the new system is installed, the Housing Authority will only own and maintain the electrical lines from the electric meters into the buildings. Southern California Edison will own and maintain the transformers and electrical lines up to and including the electric meters on the site. Consequently, after this new system is installed, the Housing Authority's maintenance expenses will decrease.

FISCAL IMPACT/FINANCING

There is no impact on the County general fund. A total of \$547,659 in Fiscal Year 2010-2011 CDBG funds will be transferred to the Housing Authority and be incorporated into the Housing Authority's approved Fiscal Year 2010-2011 budget.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The improvements are being federally funded, and are not subject to the requirements of the Greater Avenues for Independence (GAIN) Program or the General Relief Opportunity for Work (GROW) Program implemented by the County of Los Angeles. Instead, C A S General Contractor will comply with Section 3 of the Housing and Community Development Act of 1968, as amended, which requires that employment and other economic opportunities generated by certain HUD assistance be directed to low- and very low-income persons, particularly to persons who are recipients of HUD housing assistance.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of the Contract will provide for the electric meter conversion at the Nueva Maravilla housing development. These improvements will serve to conserve energy, increase cost savings to the Housing Authority, and improve services to the residents.

Respectfully submitted,

SEAN ROGAN

Executive Director

SR:mc